

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

NETSPHERE, INC., §  
MANILA INDUSTRIES, INC., AND §  
MUNISH KRISHAN §  
§  
PLAINTIFFS, §  
§  
V. § CIVIL ACTION NO. 3:09-CV-0988-F  
§  
§  
JEFFREY BARON AND §  
ONDOVA LIMITED COMPANY, §  
§  
DEFENDANTS. §

**THE RECEIVER'S THIRD APPLICATION FOR REIMBURSEMENT OF  
FEES INCURRED BY DAMON NELSON**

On February 21, 2011, upon the resignation of Mr. Jeffrey Harbin as Manager of the LLCs, the Receiver appointed Mr. Damon Nelson as interim Manager of Receivership Parties Novo Point, LLC and Quantec, LLC (the "LLCs"). On March 14, 2011, the Court confirmed Mr. Nelson as the LLC's interim Manager of the LLCs. [Docket No. 362.] On April 22, 2011, the Court granted the Receiver's motion to appoint Mr. Nelson as the permanent Manager of the LLCs, stating that "Mr. Nelson shall serve as the permanent Manager of Quantec, LLC and Novo Point, LLC . . . until such time that the Court issues an order stating otherwise." [Docket No. 473.]

Accordingly, the Receiver files this third fee application (the "Third Nelson Fee Application") on behalf of Mr. Nelson, as permanent Manager of the LLCs, for the period of April 1, 2011 through April 25, 2011 (the "Third Nelson Fee Application Period"). In support of the Third Nelson Fee Application, the Receiver states as follows:

**I. SUMMARY OF REQUEST**

**Name of Applicant:** Mr. Peter S. Vogel on behalf of Mr. Nelson

**Application Period:** April 1, 2011 – April 25, 2011

**Amount of Fees Requested (April 1, 2011 to April 25, 2011)**

	<u>Fees</u>	<u>Expenses</u>	<u>Total</u>
Amounts Requested	<b>\$12,925.00</b>	<b>\$538.39</b>	<b>\$13,463.39</b>
Less Amounts Previously Paid	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$0.00</u></b>
<b>Total Compensation Due</b>	<b>\$12,925.00</b>	<b>\$538.39</b>	<b>=</b>
	<b><u>100%</u></b>	<b><u>100%</u></b>	
<b>Total Req. Paid By This Appl.</b>	<b>\$12,925.00</b>	<b>\$538.39</b>	<b>=</b>
			<b>\$13,463.39</b>

**II. PRELIMINARY STATEMENT**

In this Third Nelson Fee Application, the Receiver asks this Court for approval and allowance of all (100%) fees earned and expenses incurred by Mr. Nelson during the Third Nelson Fee Application Period. As shown by the record before this Court and the exhibits attached hereto, Mr. Nelson has worked diligently during the Third Nelson Fee Application Period, first as interim Manager, and now as permanent Manager of the LLCs. Among other things, Mr. Nelson has handled day-to-day management of the LLCs, and tasks related to the domain names registered in the LLCs' names, such as the registration, renewal, non-renewal, valuation, pricing and prospective sale of domain names. Additionally, Mr. Nelson has administered the LLCs' finances, including managing the LLCs' receipt of funds from domain name monetizers. Additional details regarding Mr. Nelson's performance as Manager of the LLCs are included in *The Receiver's Report of Work Performed in February 2011* and *The Receiver's Report of Work Performed in March and the First Part of April 2011*. [Docket No. 416 at pp. 51-55; Docket No. 479 at pp. 48-52.]

The Receiver believes that Mr. Nelson, as Manager of the LLCs, performed valuable work on behalf of the LLCs during the Third Nelson Fee Application. Accordingly, the Receiver requests the Court's approval of the Third Nelson Fee Application.

### **III. SUPPORT**

In support of the Third Nelson Fee Application, the Receiver is attaching Exhibit A, which includes true and correct copies of Mr. Nelson's invoices for professional services rendered and expenses incurred during the Third Nelson Fee Application Period. The invoices include detailed narratives of the work Mr. Nelson performed during the Third Nelson Fee Application Period.

### **IV. REQUEST**

The Receiver respectfully requests that this Court enter an order (a) allowing and authorizing compensation to Mr. Damon Nelson in the amount of \$13,463.39, for the period from April 1, 2011 through April 25, 2011; (b) directing the Receiver, and his agents or representatives, to immediately pay the \$13,463.39 to Mr. Nelson from the Receivership Assets to which the Receiver has obtained access to date, and specifically from the funds the Receiver located in BBVA Compass Bank, Account #XXXXXX1315, under Novo Point, LLC's name, and the funds the Receiver located in BBVA Compass Bank, Account No. XXXXXX1323, in the name of Receivership Party Quantec, LLC.

Respectfully submitted,

/s/ Barry M. Golden

Barry M. Golden  
Texas State Bar No. 24002149  
Peter L. Loh  
Texas Bar Card No. 24036982  
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[ploh@gardere.com](mailto:ploh@gardere.com)

**ATTORNEYS FOR THE  
RECEIVER, PETER S. VOGEL**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document was served via the Court's ECF system on all counsel of record on April 27, 2011.

/s/ Peter L. Loh  
Peter L. Loh

# EXHIBIT A

AtWebDesigns, Inc.

400 North St. Paul  
Suite 499  
Dallas, TX 75201

# Invoice

Date	Invoice #
4/27/2011	121

**Bill To**

Peter Vogel | Receiver for Jeff Baron  
obo. Quantec LLC/Novo Point LLC  
1601 Elm Street, Suite 3000  
Dallas, TX 75201  
214.999.4391 direct

Description	Amount
Portfolio LLC Management, Accounting and Sales Consulting Services	12,925.00
<b>Total</b>	<b>\$12,925.00</b>

Internet Consulting Services  
Billing April 1st to April 25th

AtWebDesigns, Inc.  
400 North St. Paul St.  
Suite 499  
Dallas, TX 75201

Company	Date	Time Worked (Hours)	Billing Amount	Details of Work	Invoiced Date
Receivership	04-01-11	7.50	\$750.00	Read and Respond to different emails. Work on Financial info for Motion, Work on Pricing Motion, Prepare Cash Flow forecast	4/26/2011
Receivership	04-04-11	8.75	\$875.00	R/R emails, March Deletions Review, Spoke with Dave E at Sedo on domain buyer and there escrow services. Visit BBVA and wired money to Fabulous, Bank Reconciliations, Review 9 domain memo	4/26/2011
Receivership	04-05-11	10.75	\$1,075.00	Worked with James on Quasar bank account funding, R/R emails from buyers and UDRP complaint, updated cash flow forecast, drafted NDA for [REDACTED], spoke with JD on 9 domain memo, called [REDACTED] on domain purchases, updated purchase offer spreadsheet	4/26/2011
Receivership	04-06-11	8.00	\$800.00	R/R emails, Spoke with [REDACTED] with signed NDA sent other domains of interest, conf call with GT team and PL, Review of Draft of Purchase Agreements, Made changes to Purch Agmt for Different escrow service, Discussed W9 issue with Mark Thorne at GT	4/26/2011
Receivership	04-07-11	7.00	\$700.00	R/R to Purchase Inquiries, Spoke w/PL on Escrow company differences, Spoke with [REDACTED] on AOL client, updated purch offer spreadsheet, Work on draft of Dauben memo, confirmed bank accounts were correct addresses	4/26/2011
Receivership	04-08-11	2.75	\$275.00	R/R purch inquiries, respond to emails from Harbin, Reviewed Purchase Agreement final version, Spoke to [REDACTED]	4/26/2011
Receivership	04-11-11	8.00	\$800.00	R/R emails purch inquiries, updated Purchase agreements for each buyer, emailed agmts, updated Godaddy offers, spoke directly to GD buyer rep about [REDACTED] about [REDACTED] in selling, conf call [REDACTED]	4/26/2011

Receivership	04-12-11	9.00	\$900.00	R/R emails, Work with PL on change of escrow on Buyer on [REDACTED]. Accumulate bids and update Purch Offers, prepare NDA for RS and get list ready for RS review, get pkg 2 ready for status update to PL	4/26/2011
Receivership	04-13-11	8.75	\$875.00	R/R new purch inquiries, Answer RS questions and sent new list, worked on contracts for pkg 2. Worked with [REDACTED] on multiple emails on 3 letter domains, prepared list and estibot valuations for discussion, reviewed traffic stats on list for [REDACTED] updated status on pkg 1	4/26/2011
Receivership	04-14-11	6.25	\$625.00	R/R purch inq, updated RS list with current traffic stats, spoke with PL about NDA with RS, Spoke with [REDACTED] on 3 name package and other sites that could cross over, Spoke with RS on different offers and pricing on domains, Replied to [REDACTED] on 3 letter coms with updated traffic stats	4/26/2011
Receivership	04-15-11	7.25	\$725.00	R/R emails and purch inq. Spoke with James on PW salary negotiations, visit BBVA, wired money to PW, updated status with [REDACTED], Spoke With PL on offer status, updated accounting and paid invoices, work on Dave Evanson - sedo on buyer offer and adding our Purch Agmt	4/26/2011
Receivership	04-16-11	1.00	\$100.00	Read and Respond to different emails + prepped NDA for [REDACTED] - Reach Netwk,	4/26/2011
Receivership	04-18-11	7.00	\$700.00	R/R emails and purch inq. Reconciled Quantec and Novo Point Bank Accounts, Discussed offers with PL, Sent emails out to request signed Purch agmts returned, Work with [REDACTED] on specific set of domains to review, Work with new investor to get backup offers solid on several of the current names in Pkg1, Spoke with PL and MN on Sedo contract mod, Updated Purch Offer Spreadsheet.	4/26/2011
Receivership	04-19-11	7.25	\$725.00	R/R emails and purch inq. email to RSS for backup offers, spoke with [REDACTED] buyer multiple times on payment arrangements and escrow procedure, work with [REDACTED] on reducing the names in his offer, worked on new estibot valuations and traffic analysis on new list from [REDACTED], received contracts from [REDACTED], Updated and Emailed Purchase Offer Spreadsheet.	4/26/2011

Receivership	04-20-11	5.25	\$525.00	R/R purch inq, updated Quickbooks and accounting, went to BBVA, moved money and wired fee applications from court order. Drafted memo of money transfers, Replied to [REDACTED] on 3 letter coms and status of his new bid, Updated and emailed Purchase Offer Spreadsheetsheet. 4/26/2011
Receivership	04-21-11	8.50	\$850.00	Read & Respond to Emails & new purchase inquiries, updated acctg, finalized Lin's offer and updated Pkg 2. Spoke to [REDACTED] on updated offers and status of Pkg 2, updated acctg to match bank. Updated and emailed Purchase Offer Spreadsheetsheet pkg 1 and pkg 2. 4/26/2011
Receivership	04-22-11	8.75	\$875.00	Read & Respond to Emails & [REDACTED] purchase inquiries, Scanned and Organized Purchase Agreements for email to Rcvr, Finished banking memos, Updated pricing valuation formula on spreadsheets, requested domain appraisals on 3 letter combos from Lin's offer, Updated and emailed Purchase Offer Spreadsheetsheet pkg 1 and pkg 2. 4/26/2011
Receivership	04-25-11	7.50	\$750.00	Read & Respond to Emails & new purchase inquiries, Updated Pkg 2 with paid appraisals and traffic stats, Contacted each buyer about status delay to 28th, prepared list of ways to delay sales, Updated and emailed Purchase Offer Spreadsheetsheet pkg 1 and pkg 2. 4/26/2011
<b>Billed</b> <b>4/26/11</b>	<b>TOTAL</b> <b> HOURS</b>	<b>129.25</b>	<b>\$12,925.00</b>	

AtWebDesigns, Inc.

400 North St. Paul  
 Suite 499  
 Dallas, TX 75201

**Invoice**

Date	Invoice #
3/31/2011	120

**Bill To**

Peter Vogel | Receiver for Jeff Baron  
 obo, Quantec LLC/Novo Point LLC  
 1601 Elm Street, Suite 3000  
 Dallas, TX 75201  
 214.999.4391 direct

Description	Amount
ink for printer	19.47
funnystories.com	19.99
pht.com	104.98
Domain Appraisal for FUNNYVIDEOS.COM	104.98
Chug.com	49.00
dazzling.com	79.99
apf.com	79.99
Total Reimbursable Expenses	79.99
	538.39
<b>Total</b>	<b>\$538.39</b>